

Ohio Prevailing Wage Information

GENERAL INFORMATION

Ohio's Prevailing Wage Law is codified in Ohio Revised Code (ORC) 4115 (local/state funded construction projects): <http://codes.ohio.gov/orc/4115.04>. Prevailing wage is the required wage to be paid to skilled trades employees on public improvement construction projects. In Ohio, prevailing wages are determined based on the rates established in the local union collective bargaining agreements (CBA). The local unions are required to submit their CBA to Ohio Department of Labor. The CBA rates become prevailing wage rates and depend on county jurisdiction. To date, Ohio has a total of 88 counties, 82 trades, and 240 rates for trades. Any trade that has a union may register with the Department of Labor.

It is important to note that if Davis-Bacon wage determinations are issued for a federally-funded project, then these wage rates preempt state prevailing wage rates, and Davis-Bacon rates apply to the entire project.

ORC 4115 defines prevailing wage as the sum of the following: 1) base hourly rate of pay; 2) life insurance; 3) pensions; 4) health insurance; 5) vacation/paid holidays; 6) apprenticeship programs; 7) other bona fide fringe benefits.

Threshold Requirement

Until 2011, Ohio prevailing wage law only had one threshold requirement. Now, four different thresholds are required:

- 1) **"New construction"** threshold level = \$250,000 (as of September 29, 2013)
 - a. **Previous threshold** for new construction from September 29, 2012-September 28, 2013 = \$200,000
- 2) **New construction involving roads, streets, alleys, sewers, ditches, other works connected to road/bridge construction**
(as of January 1, 2014) = \$84,314
- 3) **Reconstruction, enlargement, alteration, repair, remodeling, renovation, or painting**
threshold level (as of September 29, 2013) = \$75,000
 - a. **Previous threshold** for this type of reconstruction from September 29, 2012-September 28, 2013 = \$60,000
- 4) **"Reconstruction, enlargement, alteration, repair, remodeling, renovation, painting," involving "roads, streets, alleys, sewers, ditches, other works connected to road/bridge construction"** = \$25,261 (as of January 1, 2014)

Threshold Adjustments

Thresholds adjustments occur biennially by the Director of the Ohio Department of Commerce.

On the first day of January of every even-numbered year thereafter (*e.g.*, January 1, 2014), the Director of Commerce adjusts the threshold levels for which public improvement projects are subject to sections 4115.03 to 4115.16 of the Revised Code as set forth in divisions (B)(3) and (4) of section 4115.03 of the Revised Code. The Director adjusts those amounts according to the average increase or decrease for each of the two years immediately preceding the adjustment based on US Department of Commerce, Bureau of the Census implicit price deflator for construction (In the absence of a published Price Deflator for Construction Index, the threshold adjustment is calculated using the Building Cost for Skilled Labor Index published by McGraw-Hill's Engineering News-Record). The increase or decrease for any year may not exceed three percent of the threshold level in existence at the time of the adjustment.

Timing of wage determinations

In Ohio, prevailing wages are updated once a week according to new collective bargaining contracts that are submitted to the Department of Labor. The rates are exact reflections of specific trade classification agreements. Thus, if there is a new agreement submitted to the office, the Department will update the rate.

[View PW rates](#)

[State of Ohio request for PW rates](#)

Increases

The Ohio Department of Labor sends out weekly rate update sheets to public authorities. The public authority has seven days to pass the notice to the contractor. The contractor has ten days for compliance with the new wage rate. Thus, prevailing wage rates can change anytime.

Overtime

Pursuant to Ohio prevailing wage law, any employee that works in excess of eight hours per day or forty hours per week, must be compensated for overtime. Ohio follows Fair Labor Standards Act overtime regulations and does not have a separate daily overtime law.

Working on Weekends

There is no special rate for working weekend hours.

Working on Legal Holidays

Any holidays listed in the employment contract must be paid to the employee at the holiday rate. Non-union contractors are not governed by this regulation.

Shift differentials

Ohio prevailing wage rates do not change based on the shift worked throughout the day.

Training Contribution

Ohio prevailing wage regulations require training contributions. If the contribution is not stated in the union contract, it is paid in cash. Union contract varies by trade, so this rate is changed often. Moreover, defraying of costs of apprenticeship or other similar training programs that are beneficial only to the laborers or mechanics affected or another bona fide fringe benefit qualify as fringe benefits.

Apprenticeship Requirements

There are two requirements for an employee to be paid an apprentice rate: 1) apprentice must be approved by the Ohio Apprenticeship State Council; and 2) the employee must be registered in a apprenticeship program. If the employee is not registered, then he or she will be paid the journeyman rate. Please visit the following website for additional detail on apprenticeship requirements:

[Ohio State Apprenticeship Council](#)

Travel & Subsistence

Ohio prevailing wage law recognizes certain per-determined fringe benefits such as: health insurance, holidays, vacation, L.E.S.S.E.T., pension, life insurance, disability insurance, and “other bona fide fringe benefits.” Other bona fide fringe benefits are fringes that are not recognized in the previous lists but are approved by the Ohio Construction Industry Licensing Board. Ohio also uniquely has a “health reimbursement account.”

Contractor Licensing

You must hold a state license do Electrical, HVAC, Refrigeration, Plumbing, or Hydronics work in Ohio. General construction contractors may need to be licensed at the local level. Check with the city or county for licensing information and requirements.

[Search for a Tradesman that holds a License in Ohio](#)
[Ohio's Contractor Licensing Policy](#)

The Ohio Construction Industry Licensing Board establishes various requirements for contractor licenses and issues the licenses. Please follow the following website for additional details:

[Ohio Construction Industry Licensing Board](#)

Public authorities must enforce whether a contractor has a valid license (the OH Dept of Labor does not enforce). Generally, only one out of every one thousand contractors is unlicensed.

Public Authority Responsibilities

Before advertising for bids, contracting, or undertaking construction with its own forces, a public authority must do the following:

1. Have the Dept. of Commerce **determine the prevailing wage rate schedule** for workers (ORC 4115.04)
2. Every public work contract must contain a provision that **each worker** employed by the contractor/subcontractor/other person about/upon the public work, **must be paid the prevailing wage rate** (ORC 4115.06)]
3. If contracts are not awarded/construction undertaken within 90 days from the date of the determination of the prevailing wage, then the **public authority must request a redetermination of the wage rates before the contract is awarded** (ORC 4115.05)
4. A public authority **cannot award a contract** for a public improvement to any contractor/subcontractor that is listed on the list of **debarred contractors** (ORC 4115.133). Debarred contractors are prohibited from working on public improvements for a period of up to three years. This list is filed with the OH Secretary of State (OSS). Filing a Notice of conviction by the OSS constitutes a notice to all public authorities.
5. A public authority **must designate and appoint one of its own employees to serve as the Prevailing Wage Coordinator** during the life of the contract for constructing the public improvement (ORC 4115.071).
 - a. The Prevailing Wage Coordinator must be **appointed no later than 10 days before the first payment of the wage** by contractors to employees working on the public improvement

Prevailing Wage Coordinator Responsibilities

The prevailing wage coordinator is responsible for the following:

- 1) **Attend all pre-construction meetings**
- 2) Set up and **maintain certified payrolls** (for inspection) (ORC 4115.071) Payrolls should be received two weeks after initial payment and monthly thereafter.
- 3) Obtain **contractor's payroll schedule** (ORC 4115.071)
- 4) Receive **complete payroll** including the following:
 - Name

- Current addresses
- Social security number
- Number of hours worked
- Pay
- Fringe benefits
- Job classification
- Deductions

- 5) **Notify all contractors of changes to wage rates within 7 days of published changes** (ORC 4115.071)
- 6) **Monitor compliance** with timely filing of certified payrolls (ORC 4115.071)
- 7) Receive **Affidavit of Compliance** at the end of the project (ORC 4115.071)
- 8) **Report delinquency** in filing to public authority and Ohio Department of Commerce (ORC 4115.071)

Certified Payroll Report Requirement

Certified payroll reports **must include the following** information:

- Name, current address, and social security number of each employee
- Each worker's classification for the work being performed
- Total hours worked for each classification by each worker
- Hourly rate of pay for each worker in each classification
- Fringe benefit contributions
- Total of gross wages, list of all deductions and final net pay for each worker

Contractors Duties

Contractors are responsible for:

- 1) Paying the **correct prevailing wage for the correct classification**: Including—modifications, changes, or corrections made during the project (ORC 4115.07)
- 2) **Paying OT rate** of one and one half times the base hourly rate and adding all applicable fringe benefit payments (ORC 4115.031)
- 3) Take **no deduction for food, lodging, transportation** (exception—deductions pre-approved by the employee and Ohio Department of Commerce) (ORC 4115.07)
- 4) **Using only registered apprentices** within ration posted within prevailing wage schedule (ORS 4115.05)
- 5) **Maintain full and accurate records** to include the following (ORC 4115.05):

- time cards, time sheets, daily work records etc.
 - payroll ledger/journals, cancelled checks/check register
 - detailed records of bona fide fringe benefits
 - records made in connection with the specific public improvement project
 -
- 6) **Supply all subcontractors with applicable prevailing wage rate schedule** (ORC 4115.06) including all/any changes to schedules during the project.
 - 7) **Submit certified payroll reports** within two weeks of or after initial pay period (ORC 4115.07)
 - 8) Submit to prevailing wage coordinator a complete **Final Affidavit of Compliance** (ORC 4115.07)

Requirements of contractors

- 1) **Out of state contractors** must file their full name and address of their State of Ohio Statutory Agent, with OSS
- 2) **Post up-to-date prevailing wage rate schedules** in an area on the job accessible to employees (ORC 4115.07)
- 3) Provide **prevailing wage coordinator with all payroll dates** prior to submitting payroll reports (ORC 4115.071)
- 4) Provide prevailing wage coordinator with **complete list of names, addresses, and contract information for any/all subcontractors** (ORC 4115.06). Contractors are responsible for their subcontractor's compliance with prevailing wage laws
- 5) Must supply employees with **written notification of specific job classification, prevailing wage rate, fringe benefit contributions, and name and contact information** for prevailing wage coordinator prior to beginning work on the project (ORC 4115.05)

Penalties

Any employee upon any public improvement (except employees to whom or on behalf of whom restitution is made under division (C) of section 4115.13 of ORC) that is paid less than the fixed rate of wages applicable thereto may recover from such person, firm, or corporation or public authority, the difference between the fixed rate of wages and the amount paid to the employee in addition thereto a sum equal to twenty-five percent of that difference.

The person, firm, corporation, or public authority who fails to pay the rate of wages so fixed also shall pay a penalty to the director of seventy-five per cent of the difference between the fixed rate of wages and the amount paid to the employees on the public improvement.

The director shall deposit all moneys received from penalties paid to the director pursuant to this section into the industrial compliance operating fund. The director shall use the fund for the

enforcement of sections 4115.03 to 4115.16 of the Revised Code. The employee may file suit for recovery within ninety days of the director's determination of a violation of sections 4115.03 to 4115.16 of the Revised Code or is barred from further action under this division. Where the employee prevails in a suit, the employer shall pay the costs and reasonable attorney's fees allowed by the court.

Debarment

Under Ohio prevailing wage law, if the contractor, subcontractor, or officer of a contractor or subcontractor is found to have intentionally violated sections 4115.03 to 4115.16 of the Revised Code another time within five years, the contractor, subcontractor, or officer of a contractor or subcontractor is prohibited from contracting or performing work for a period of three years from the date of the expiration of the applicable period for filing an appeal, or if appealed, from the date of the final judgment of a court.

Ohio's Division of Industrial Compliance maintains a debarment list:

[List of the Debarred Employees](#)

Helpful Links

[Ohio Division of Industrial Compliance and Labor](#)

[Apprenticeship Information](#)

[Ohio State Apprenticeship Council](#)

[Ohio Construction Industry Licensing Board](#)

[Ohio prevailing wage/minimum wage training session locations \(April 2015\)](#)

CONTACT INFORMATION

Ohio Department of Commerce

Division of Industrial Compliance
Bureau of Wage and Hour Administration
6606 Tussing Road
PO Box 4009
Reynoldsburg, Ohio 43068-9009
Phone: (614) 644-2223
Fax: (614) 644-2618
Email: IC@com.state.oh.us
[Ohio Department of Commerce Website](#)
[Contact information for the division](#)

City of Columbus Prevailing Wage Office

This office oversees compliance by contractors of Ohio Revised Code Chapter 4115 involving prevailing wage laws for improvements financed by public funds and oversees contracts funded with federal funds governed by Davis-Bacon Act with same types of submittals and expectations.

City of Hilliard Prevailing Wage Office

3800 Municipal Way

Hilliard, Ohio 43026

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